REMARKS

Claims 1, 2, 4-9, 11-16, and 18-22 will be pending in the Application after the Examiner enters the forgoing amendment.

Support, not limitation, for "enabling a price adjustment for a first purchase with the first retailer, by storing a first monetary amount in the first computer system, the first monetary amount corresponding to a budget for discounts occurring only in the first retailer" recited in claim 1 may be found, for example, in Applicant's Application in Fig. 1 and page 6, lines 7-16:

> To stimulate sales, manufacturer 4 finances product promotions consisting essentially of advertised customer discounts on sales of Delta Detergent occurring only within retailer 6. These promotions specific to retailer 6 are financed under budget 22 in manufacturer 4.
> To stimulate sales, manufacturer 4 finances product promotion consisting essentially of customer discounts on sales of Delta Detergent occurring within retailer 11. These promotions specific to retailer 11 are financed under budget 26 in manufacturer 4.
> Thus, manufacturer 4 includes computer system 8 storing budget 22, which is a type of monetary amount for a product promotion and discount program for Delta Detergent. Computer system 8 also stores budget 26, which is a type of monetary amount for another product promotion and discount program for Delta Detergent.

and page 13, line 20 - page 14, line 13:

> system 1 essentially enables a type of price discount with a contract between a manufacturer and a retailer, and with circuitry in the manufacturer and the retailer. For example, system 1 sets up a type of retail price adjustment, by allocating a budget 26 and creating a contract between manufacturer 4 and retailer 11. The contract provides for a retail price of $3.95, instead of $4.85, for Delta Detergent and for manufacturer 4 to reimburse, or otherwise credit, retailer 11 for each consumer purchase made at the discount price. . . .
> system 1 allocates a budget 22 and creates a contract between manufacturer 4 and retailer 6. The contract provides for a retail price of $3.95,

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instead of $4.85, for Delta Detergent and for manufacturer 4 to reimburse, or otherwise credit, retailer 6 for each consumer purchase made at the discount price. Manufacturer 4 receives a set of data from signal path 42 and another set of data from signal path 38. Manufacturer 4 processes these two sets of data to generate a monetary amount corresponding to an offset of funds between manufacturer 4 and retailer 6.

(emphasis added).

Support, not limitation, for "a third monetary amount corresponding to a discount occurring in any retailer" recited in claims 5 may be found, for example, in Fig. 1 and page 5, lines 3-6:

To stimulate sales, manufacturer 4 also issues printed coupons, redeemable for a discount on Delta Detergent. Coupons for Delta Detergent are distributed in newspapers, for example, and are redeemable at any retailer, including retailers 6 and 11. Coupons are financed under budget 23 in manufacturer 4.

(emphasis added).

On pages 2-3 of the Office Action, the Examiner rejected claims 1-7 under 35 U.S.C. § 101 as being "directed to non-statutory subject matter," concluding that the recited "only constitute an idea of processing signals." Applicant traverses this rejection under § 101 since original base claim 1 recites, *inter alia*, explicit steps of "generating" and "processing," not merely "an idea of processing" In any event, this rejection may now be moot since base claim 1, as amended, recites "a first computer system" and steps of "storing a first monetary amount in the first computer system, the first monetary amount corresponding to a budget for discounts occurring only in the first retailer", and "storing a second monetary amount in the first computer system . . ." .

On pages 3-4, the Examiner rejected claims 2, 9, and 16 under 35 U.S.C. § 112, second paragraph, as being "as being indefinite." Although Applicant does not necessarily agree with all the rejections under § 112, these rejections may now be moot in view of

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amendments to claims 2, 9, and 16.

On pages 4-5, the Examiner rejected claims 1, 3-8, 10-15, and 17-21 under 35 U.S.C. § 102 as being anticipated by U.S. Patent No. 6,497,360 to Schulze, and, on page 5, rejected claims 2, 9, and 16 under 35 U.S.C. § 103 as being unpatentable over Schulze and further in view of Official Notice.

Schulze discloses a system for "prompt coupon reimbursement after coupon redemption." "The method includes the collection of information from a retailer point-of-sale system, and the examination of redeemed coupons. Where matches between product sales, discounts to consumers and redeemed coupons can be made, payment to the retailer of discounts extended to consumers in exchange for manufacturer authorized coupons is immediately made following such verification . . . . The apparatus of the present invention may comprise a central processing unit and attached peripherals capable of interfacing with a retailer point-of-sale system and downloading information from the point-of-sale system, together with secure storage for holding coupons that are to be verified by the apparatus." (Schulze Abstract).

"In general the point of sale subsystem is used to track sales of retail goods to consumers. FIG. 2 represents a point of sale subsystem 112 useable with the coupon redemption subsystem 104 of the present invention." (Schulze col. 4, lines 62-67).

"Initially, at step 400, a record is made of products sold to a consumer during a transaction in the point of sale subsystem 112. In addition, a record is made of any discounts provided by the retailer in connection with the transaction such as those associated with redeemed coupons... . . . At step 404, third party verification of the proper

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redemption of any coupons associated with a transaction is made using the coupon redemption subsystem 104, as will be discussed in more detail below. Next, at step 408, the retailer is reimbursed for discounts provided to consumers as a result of the proper redemption of coupons. At step 412, a report is provided to each product manufacturer whose coupons have been redeemed . . ...Each manufacturer then makes payment to the third party verification provider in the amount of the reimbursements made to retailers attributable to coupons issued and/or authorized by each product manufacturer . . .

"FIG. 5 is a flow chart illustrating the steps of recording sales information (step 400), third party verification of proper coupon redemption (step 404) and payment of verified coupon amounts to the retailer (step 408) illustrated generally in FIG. 4 . . .. At step 520, the records of product sales collected at step 500 are downloaded to the coupon redemption computer or server 300. . . . At step 524, the coupon verification personnel retrieve the redeemed coupons from the secure storage container, and enter coupon identifying information into the coupon redemption subsystem 104. The identifying information may be entered into the coupon redemption subsystem 104 by reading information from the coupons using the scanner 336 or a coupon reader that might be controlled to destroy (e.g. shredding), or otherwise render unuseable, the coupon after it has been verified or accepted. . . . Following the completion of steps 520 and 524, the redeemed coupons are matched with product sales by the coupon redemption subsystem 104 (step 528) . . .. A report summarizing the redemption information may then be provided to the manufacturer (step 544). Preferably, each manufacturer is provided with information concerning the redemption of coupons authorized by the manufacturer in question."

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(Schulze col. 7 line 23 - col. 9, line 35).

"[T]he coupon redemption subsystem 104 may be at a facility under the control of

the coupon verification third party or entity, which location may receive redeemed coupons

from one or more different retailers." (Schulze col. 7 lines 7-11).

"According to one embodiment of the present invention, the manufacturer may

specify the format of and information included in the provided report. For instance, the

manufacturer may request information concerning selected time periods or regions of

various scope. The manufacturer may also request information concerning particular

retailers, stores or even lanes in a store. Information on the report may also be limited to

particular categories or product codes. Additionally, information regarding redeemed

coupons may be limited to particular family, offer or value codes . . . ." (Schulze col. 11

lines 3-10).

In contrast, each of claims 1, 2, 3-6, as amended, and 22 recites a method of

processing manufacturer-funded discounts specific to a retailer for a system including a

first retailer, a second retailer, and a plurality of manufacturers each associated with a

respective product, the plurality of manufacturers including a first manufacturer having

a first computer system. The method has an interrelation of acts including enabling a

price adjustment for a first purchase with the first retailer, by storing a first monetary

amount in the first computer system, the first monetary amount corresponding to a

budget for discounts occurring only in the first retailer; subsequently, effecting the first

purchase with the first retailer; . . .generating a first signal storing the transaction

amount of the first purchase . . .; generating a second signal corresponding to the first

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purchase . . .; receiving the first signal from the first signal path, and the second signal from the second signal path; subsequently, processing the second signal and the transaction amount stored in the first signal . . ., to generate a third signal corresponding to an offset of funds between a selected manufacturer and the first retailer. (Base claim 1). No reasonable combination of the art of record, including Schulze, suggests this recited interrelation including storing the monetary amount corresponding to a budget for discounts occurring only within a specific retailer, and subsequently effecting the recited purchase with the retailer.

Claims 8, 9, and 11-14 are patentable as each recites, inter alia, a first monetary amount stored in the first computer system, the first monetary amount corresponding to a budget for discounts occurring only in the first retailer; a second monetary amount stored in the first computer system, the second monetary amount corresponding to a budget for discounts occurring only in the second retailer; a generator, in the first retailer, that generates a first signal corresponding to a price-adjusted first purchase with the first retailer and sends the first signal on a first signal path, after the first monetary amount is stored in the first computer system . . . (Base claim 8).

Claims 15, 16, and 18-21 are patentable as each recites, inter alia, means for enabling a price adjustment for a first purchase with the first retailer, by storing a first monetary amount in the first computer system, the first monetary amount corresponding to a budget for discounts occurring only in the first retailer; means for enabling a price adjustment for a second purchase with the second retailer, by storing a second monetary amount in the first computer system, the second monetary amount

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corresponding to a budget for discounts occurring only in the second retailer; and means for subsequently effecting the first purchase with the first retailer . . . (Base claim 15).

If there are any other fees required for entry of this amendment, or for any other reason, please charge such fees to the undersigned attorney's Deposit Account No. 10-0077.

If the Examiner has any questions about this amendment, applicant's representative would appreciate discussing this amendment with the Examiner. Applicant's representative, Jerome Jackson, can be reached at 703-684-4840.

Respectfully submitted,

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